

# Chapter I

## Benefits Basics

### What are programs of public assistance?

Programs of public assistance (or public benefits) are programs that provide **financial support** for individuals, are paid for with **government funds** (taxpayer dollars) and are administered through a **government agency**.

### Who gets public assistance?

Almost everyone gets some type of public assistance. Most retired workers (and many disabled workers) and their families are eligible for Social Security retirement or disability benefits. Almost all elderly people are covered by Medicare (a government health insurance program for the elderly and disabled). And millions of low-income elderly and disabled persons receive assistance under the Supplemental Security Income (SSI), Medicaid, Food Stamp, and Low-Income Home Energy Assistance programs.

### Isn't public assistance just for the poor?

No. There are two types of public assistance programs: **needs-based** programs and **non-needs based** programs. The terms “needs-based” and “non-needs based” refer to whether the benefits go only to persons who are “financially needy” or are available to persons regardless of their financial need. Financial need is defined differently for each program, but generally requires that a person's **income** and **assets** (cash, savings, property, or other resources) be below a specified limit. Thus, in needs-based programs, a person cannot get benefits unless he or she can show that his or her income and resources are less than the amounts used in the program to define “need.” These “needs-based” programs are the ones that are typically thought of as programs for the poor. In non-needs based programs, a person's financial resources are not taken into account. Even very wealthy people get benefits from the non-needs based public assistance programs.

### How is eligibility for the programs determined?

Each program has its own rules for determining who is eligible. There are two types of eligibility requirements: **personal eligibility requirements** and **financial eligibility requirements**. The non-needs based programs have only personal eligibility rules. The needs-based programs have both personal eligibility and financial eligibility rules.

### What is personal eligibility?

Personal eligibility relates to personal characteristics such as age, citizenship, family status, ability or inability to work, work history, and living situation.

### What is financial eligibility?

Financial eligibility relates to income and resources (or assets). Income is money that a person receives (like a pay check from an employer or a monthly Social Security check).

Assets, usually called resources or reserve, are cash, savings, property, or other things that a person owns and could be sold or used to support himself or herself.

Financial eligibility is usually the trickiest part of the determination of eligibility for public assistance. Just like with taxes, not all money or assets are counted. Each program has its own rules for what is counted and not counted. Once the income and assets are counted, they are compared to the limits set by the program for eligibility. Usually, although not always, if a person's income and assets are over the limits set in the program, the person cannot get benefits from that program.

### **How does a person get public assistance?**

The application procedures differ from program to program. Some application processes are relatively simple for the applicant. Others are much more difficult, requiring verification of details of the applicant's personal and financial situation. The application process can be quite time-consuming and in some cases could be seen as an invasion of privacy. Some applicants find the application process so overwhelming that they choose to forego the possibility of benefits rather than complete the application.

### **Are mistakes made in the application process?**

Yes! Given the complexity of some of the rules, mistakes are bound to happen. Mistakes may be made both by the applicant or the agency worker who takes the application or makes the determination on the application. In some cases, there is room for interpretation about what a particular rule means or how it should apply in an individual situation. Because there is this possibility of error and differing interpretations, all programs have an **appeal process** that can be used to correct mistakes. A person may file an appeal if his or her application for assistance is denied, if his or her benefits are terminated, or if he or she feels that the level of benefits provided is incorrect.

### **How does the appeal process work?**

The processes differ somewhat from program to program. Usually, they start with an informal hearing at which the applicant or recipient can say why he or she disagrees with the decision made by the agency. The applicant or recipient has the right to ask questions of the agency staff, the right to present evidence (documents or testimony from witnesses) regarding the case, and the right to be represented by an attorney or an advocate.

If the applicant or recipient is not satisfied with result of the informal hearing, he or she may have the right to ask for a second, more formal, administrative hearing and to seek judicial review of the final decision of the agency. To be successful, the applicant or recipient must present evidence to show that the agency's decision was factually incorrect, that the agency did not follow the proper procedures, or that the agency did not properly interpret or apply the law.